

# PHILADELPHIA MULTIFAMILY HOUSING HUB NEWS



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## Streamlined Grants Application Process

HUD recently launched the Grants Interface Management System (GIMS), to centralize collection and dissemination of applications received electronically through Grants.gov, the federal portal that takes in applications for federal financial assistance funding.



GIMS receives completed discretionary Grant Application Packages automatically from the Grants.gov portal and makes them available for processing within HUD on a HUD-hosted web server. This is HUD's first step toward electronic government for the receipt, review, award and management of funds provided to recipients of HUD funding. The system eliminates the need for applicants to submit multiple copies of applications in response to a funding opportunity.

Anyone needing an account should contact the GIMS Administrator Dorthera Yorkshire (Rita) at: 202-708-0667 x4336.

The Training Guide, User's Manual, and Frequently Asked Questions can be downloaded from the following website:

<http://hudatwork.hud.gov/po/a/grants/gims/gims.cfm>

## Energy Policy Act of 2005

The Energy Policy Act of 2005 provides new tax incentives to rental housing of four stories or more or systems put into place during 2006-2007.



Specifically, the provisions under this

1,724-page law, offer business taxpayers a deduction of \$1.80 per square foot for commercial buildings that achieve a 50% reduction in annual energy costs to the user, compared to a base building defined by ASHRAE/IESNA 90.1-2001 Energy Standard for Buildings Except Low-Rise Residential Buildings. Energy costs refer to heating, cooling, lighting and water heating.

Compliance is determined by third-party inspectors who review the plans and the actual in-place construction. Energy savings are determined by software that must be certified by the Dept. of Energy.

## FEB Award

A Certificate of Achievement was presented to Thomas Langston, on May 4, 2006, in recognition of Outstanding Public Service at the Federal Executive Board's 2006 Excellence in Government Awards Program. Mr. Langston received a Silver Medal for his publication of the monthly newsletter, Philadelphia Multifamily Hub News.



## New FHA Slogan

**FHA** For the first time in more than 70 years, the Federal Housing Administration has its own slogan: "FHA- Your Door to Homeownership." The winning slogan was one of dozens considered by Asst. Secretary Brian Montgomery.

### **Project Training Expenses**

HUD Handbook 4381.5, REV-2, Chapter 6, paragraph 6.38(c), permits the project's operating account to be billed for "front-line" training activities if the following conditions are met:



- At a minimum, the budget amount should be sufficient to allow one staff person from each functional area to attend a minimum of one project related training session per year.
- As a rule of thumb for most projects, a reasonable training budget would not exceed the greater of \$5,000 or 1/2 of 1% (0.005) of gross rents.
- The local HUD Program Center has the authority to approve training budgets that exceed the guidelines above if the owner/agent can clearly document the conditions that necessitate more extensive training for project staff.

Training of front-line staff must clearly demonstrate a benefit to the project. For example, front-line staff participation in a meeting or conference is deemed a necessary and reasonable training expense when:

- The purpose of the conference is educational and beneficial to the project.
- The content is relevant to improving the employee's performance while conducting front-line activities.
- Most of the conference consists of planned, organized exchanges of information related to project operations.
- Allows for expansion or enhancement of the employee's current job performance related to front-line duties.

The expenses of training shall not include membership fees except to the extent that such fees are a necessary cost directly related to the training itself or that payment thereof is a condition precedent to undergoing such training.

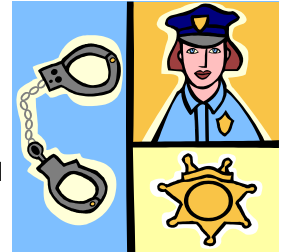
### **Trendy Zip Code**



CBS News has identified the zip code 19103- the Rittenhouse Square downtown area of Philadelphia, PA- as one of the top 8 areas for real estate sales and appreciation in the nation.

### **Senior Crime Stoppers (SCS) Program**

SCS is a preventative crime program, run by the USI Alliance, for seniors living in HUD facilities and nursing homes. It is an anonymous-based system for gaining information that is backed by cash rewards (\$250-\$1,000 per incident).



Besides the cash rewards, the program includes a personal lockbox for every apartment, an anonymous toll-free tip line available 24/7, wallet cards, press releases, and training materials.

The program results in increased safety and protection against theft and crime for residents, management, and visitors of nursing homes, assisted living communities, independent living communities and HUD projects. Managers and owners also receive the benefits of less liability exposure and property damage resulting in reduced operating costs.

In most cases, the cost of the program is a reimbursable project security expense. Owners can also receive the program at no cost, for 5 years, through bank sponsorship. Banks sponsor senior facilities through a fully collateralized, no-risk investment to the Senior Housing Crime Prevention Foundation. The bank receives its federally required Community Reinvestment Act credits and the facility receives the Senior Crimestoppers Program at zero cost. Also, once a year, bank sponsorship offers a nostalgic entertainment video, entitled Time of Your Life, and the Wishes Comes True Program.

To find out more details, contact Donna Derryberry at (877) 232-0858, or visit the SCS website at: [www.seniorcrimestoppers.org](http://www.seniorcrimestoppers.org).

### **Tip: Calculating Income from Assets**

When net family assets are more than \$5,000, annual income includes the greater of the following:

- Actual income from assets; or
- A percentage of the value of family assets based upon the current passbook savings rate as established by HUD. This is called imputed income from assets. The passbook rate is currently set at 2%.

(See Paragraph 5-7F of *HUD Handbook 4350.3 REV-1*)

### **Accessibility Guidelines**

The Fair Housing Act, as amended prohibits housing discrimination on the basis of race, color, religion, sex, national origin, familial status, or disability.

It covers all types of multifamily dwellings with buildings of 4 or more units for first occupancy after March 31, 1991.

The Act requires covered buildings with an elevator to make all units in buildings accessible. It also requires covered buildings without an elevator to make all ground floor units (including ground-floors at different levels in the same building) accessible.

There are 7 technical accessibility requirements:

1. Accessible entrance on an accessible route.
2. Accessible public and common use areas.
3. Usable doors.
4. Accessible routes into and through the dwelling unit.
5. Accessible light switches, electrical outlets, and environmental controls.
6. Reinforced walls in bathrooms.
7. Usable kitchens and bathrooms.



Poor indoor air quality can be the cause of numerous health problems. Medical groups report that as many as half of all illnesses are caused or aggravated by indoor air pollution. Pollutants can cause residents to suffer from flu-like symptoms such as headaches, nausea and respiratory irritation.

Two health problems that can be helped by clean indoor air are allergies and asthma. Even people who have never suffered from allergies can benefit from improved air quality. By removing airborne dust particles from the air, the amount of exposure they have on the respiratory system is greatly reduced.

In trying to reduce energy costs in their buildings, owners should also take the following steps to improve indoor air quality:

- Identify the sources of indoor air pollutants and reduce or eliminate them.
- Insure proper ventilation to reduce the concentration of pollutants.
- Insure that the building is thoroughly cleaned (i.e., frequent dusting and vacuuming) to reduce the amount of dust particles in the air.
- Install electronic air cleaners.
- Install high efficiency air filters on heaters and air conditioning units.
- Install humidifiers, carbon monoxide detectors, heat recovery ventilators, and air purifiers.

### **Indoor Air Pollution**

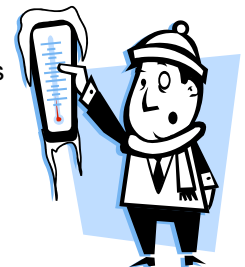
Most people spend 90% of their time indoors. This makes indoor air quality extremely important. Many common household items contribute to poor indoor air quality. Compounds found in carpets, furniture, upholstery and drapery fabric constantly emit fumes. Other sources of pollutants can include cleaning agents, paints and personal care products.



The tight construction of today's dwellings also contributes significantly to poor indoor air quality. Things like weather-stripping and storm doors are designed to save energy costs. However, they also prevent proper ventilation by keeping indoor air in and outdoor air out. The result can be a build-up of contaminants within the residence.

### **Air Conditioner Maintenance**

Unnecessarily high electricity bills and potentially costly air conditioner repairs can be minimized by the proper care of cooling equipment. Cooling systems must operate at peak performance to maximize comfort and money savings.



Each year, the cooling system's refrigerant charge and operating safety controls should be thoroughly checked out by an experienced, reputable air conditioning contractor. The contractor should perform the following services:

- Clean the outdoor condenser coil. Inspect the area around it to insure that it is free of debris and has an unrestricted air flow.
- Clean the indoor blower.
- Clean the evaporator coil.
- Balance the air and check the return vents.
- Change the air filter.

### **Child Care Deduction Tips**

Did you know that a childcare deduction is one of five possible deductions that may be subtracted from annual income based on allowable family expenses and family characteristics? If a childcare deduction is taken, the amount will be subtracted from annual income to arrive at the adjusted income. Adjusted income is generally the amount upon which tenant rent is based.



The following are some facts on child care deductions:

1. Anticipated expenses for the care of children under age 13 (including foster children) may be deducted from annual income if all of the following are true:
  - a) The care is necessary to enable a family member to work, seek employment, or further his/her education (academic or vocational).
  - b) The family has determined there is no adult family member capable of providing care during the hours care is needed.
  - c) The expenses are not paid to a family member living in the unit.
  - d) The amount deducted reflects reasonable charges for child care.
  - e) The expense is not reimbursed by an agency or individual outside the family.
  - f) Childcare expenses incurred to permit a family member to work must not exceed the amount earned by the family member made available to work during the hours for which child care is paid.
2. When childcare enables a family member to work or go to school, the rule limiting the deduction to the amount earned by the family member made available to work applies only to child care expenses incurred while the individual is at work. The expense for childcare while that family member is at school or looking for work is not limited.
3. Childcare attributable to the work of a full-time student (except for head, spouse, co-head) is limited to not more than \$480, since the employment income of full-time students in excess of \$480 is not counted in the annual income calculation. Childcare payments on behalf of a minor who is not living in the applicant's household cannot be deducted.
4. Childcare expenses incurred by two assisted

households with split custody can be divided between the two households when the custody and expense is documented for each household and the documentation demonstrates that the total expense claimed by the two households does not exceed the cost for the actual time the child spends in care.

For further information and examples, please refer to Section 5-10B of HUD Handbook 4350.3 REV-1, Occupancy Requirements of Subsidized Multifamily Housing Programs.

### **Senior Expo**

HUD staff (Mary Burrell, Information Specialist and Freddie Soto, Project Manager) from the Philadelphia Program Center attended the annual Senior Expo in Fairless Hills, PA, on April 21, 2006. The Expo was sponsored by State Senator Joe Conti for the benefit of his constituents in Bucks County. Senator Conti was quoted as saying "Our goal is to provide seniors with an increased awareness of the programs and services that are available to them...The expo is set up as a one-stop-shop for your convenience."



The Expo featured vendors from several local, state and federal agencies, as well as senior organizations such as AARP. The event offered information on health care, personal safety, Medicare/Medicaid, living wills, motorized wheel chairs, etc., as well as door prizes, health screenings and refreshments.

Mary Burrell and Freddie Soto also provided advice to senior citizens on a wide range of topics such as: reverse mortgages, subsidized housing/occupancy, Section 203( K), fair housing, HUD home purchases, etc. This was the 5th year that HUD participated in this worthy endeavour.

### **Closings**

The following closing occurred during July:  
*Insured-* PA: Locust Grove, Edinlake, Benetwood Apts., & Shippensburg Health Care; & NJ: Liberty Manor AL, Acorn Glen AL, & Lakeland Health Care; *Section 202/811 Initials-* PA: National Church Residences; and NJ: West Deptford Senior Housing.

